## AMENDED IN SENATE APRIL 30, 2003 AMENDED IN SENATE MARCH 27, 2003

SENATE BILL

No. 314

Introduced by Committee on Transportation (Senators Murray (Chair), Figueroa, Florez, Karnette, Perata, Scott, Soto, and Torlakson)

February 19, 2003

An act to amend Section 20351 of the Public Contract Code, to amend Section 99315.8 of, and to add Chapter 6 (commencing with Section 125700) to Division 11.5 of, the Public Utilities Code, to amend Section 10753.7 of the Revenue and Taxation Code, to amend Section 188.8 of the Streets and Highways Code, and to amend Sections 4466, 16000, 16370.5, 16431, 24609, and 27400 of the Vehicle Code, relating to transportation. An act to add Section 130350.5 to the Public Utilities Code, relating to transportation.

## LEGISLATIVE COUNSEL'S DIGEST

SB 314, as amended, Committee on Transportation. Transportation *funding: County of Los Angeles*.

Existing law provides for the establishment of various local transportation authorities, and empowers those authorities, under certain conditions, to impose local transactions and use taxes for the funding of local transportation purposes.

This bill would authorize the Los Angeles County Metropolitan Transportation Authority to impose, in addition to any other tax that it is authorized to impose, a transactions and use tax at the rate of 0.5% for 5 years or less, for the funding of specified transportation-related SB 314 -2

projects. This bill would condition the imposition of a tax under this authority upon voter approval as otherwise required by law.

(1) Existing law requires the North San Diego County Transit Development Board to award contracts for construction in excess of \$50,000 to the lowest responsible bidder after competitive bidding, except in an emergency.

This bill would make that requirement applicable to contracts in excess of \$10,000.

(2) Existing law creates the San Diego Metropolitan Transit Development Board and the North San Diego County Transit Development Board with various responsibilities to operate and construct transit systems in their service areas. Existing law authorizes the San Diego Metropolitan Transit Development Board to engage in various financial transactions, including the issuance of revenue bonds and the purchase of transit equipment with equipment trust certificates and other financing mechanisms.

This bill would enact similar provisions applicable to the North San Diego County Transit Development Board.

(3) Existing law creates the North Coast Railroad Authority (NCRA) and provides that transportation funds previously allocated by the California Transportation Commission to the NCRA for certain projects under specified allocation resolutions may be used by NCRA for various related transportation projects.

This bill would also authorize these funds to be used for maintenance of the capital investments made on rail right-of-way owned by NCRA or rail line easements controlled by NCRA, subject to approval of the commission. The bill would authorize the commission to extend otherwise applicable deadlines relating to use of these funds by not more than 20 months under certain conditions. The bill would require NCRA to report to the Department of Transportation on the use of these funds, thereby imposing a state-mandated local program.

(4) The Vehicle License Fee (VLF) Law establishes, in lieu of any ad valorem property tax upon vehicles, an annual license fee for any vehicle subject to registration in this state in the amount of 2% of the market value of that vehicle, as specified. For the purpose of computing the vehicle license fee, the VLF Law requires the Department of Motor Vehicles to determine the market value of a vehicle, as specified, upon the first sale of a new vehicle to a consumer, upon each sale of a used vehicle to a consumer, and on an annual basis to account for depreciation in the vehicle's value. Existing law provides that, if the

\_\_ 3 \_\_ SB 314

department adjusts a vehicle's market value before a vehicle's existing vehicle license fee expires, that adjustment will not be reflected until the next annual vehicle license fee becomes due.

This bill would delete an obsolete cross-reference from these provisions.

(5) Existing law requires the California Transportation Commission to program interregional and regional transportation capital improvement projects through the State Transportation Improvement Program process, consistent with estimated available funding. Existing law requires regional improvement projects nominated by regional agencies to be programmed by the commission pursuant to certain formulas, known as the north-south split and county shares. Existing law authorizes the commission, with the consent of the Department of Transportation, to program projects in a region with a population of not more than 1,000,000 at a level higher or lower than a county share, in order to either build up a reserve for a larger project or advance a future share to the present, with the amount of the reserve or advance credited to or deducted from future programming, as the case may be.

This bill would extend the county share reservation or advance process to any county with a population of not more than 1,000,000.

(6) Existing law prescribes certain restrictions on the issuance by the Department of Motor Vehicles of a copy, duplicate, or substitution of a certificate of title or license plate and requires the registered owner to apply in person and present certain documents.

This bill would modify those restrictions by, among other things, revising the documentation requirements and exempting certain vehicles from those restrictions.

The bill would allow the department to issue one or more license plates to the registered owner or lessee and issue a certificate of title only to the legal owner, or if none, the registered owner.

(7) Existing law authorizes a vehicle to be equipped with white or amber reflectors upon the front of the vehicle that are mounted not lower than 15 inches nor higher than 60 inches.

This bill would authorize a schoolbus to be equipped with a set of 2 devices, with each device in the set consisting of an amber reflector integrated into the lens of an amber light that is otherwise permitted under the Vehicle Code, if the set is mounted with one device on the left side and one on the right side of the vehicle, and with each device at the same level.

SB 314 — 4—

(8) Existing law prohibits a person operating a motor vehicle or bicycle from wearing a headset or earplugs in both ears except under specified circumstances, including the wearing of personal hearing protectors in the form of custom earplugs or molds designed to attenuate injurious noise levels.

This bill would revise these provisions.

(9) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: <del>yes-</del>*no*.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 20351 of the Public Contract Code is
  - SECTION 1. Section 130350.5 is added to the Public Utilities
- 3 *Code, to read:*

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- 130350.5. (a) In addition to any other tax that it is authorized
- 5 by law to impose, the Los Angeles County Metropolitan
- 6 Transportation Authority may impose, in compliance with
- 7 subdivision (b), a transactions and use tax at a rate of 0.5 percent
  - that is applicable in the incorporated and unincorporated areas of
- 9 the county.
  - (b) For purposes of the taxing authority set forth in subdivision (a), all of the following apply:
  - (1) The tax shall be proposed in a transactions and use tax ordinance, as described in the Transactions and Use Tax Law (Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code) except as inconsistent with this section, that is approved by a majority of the entire membership of the authority.
  - (2) The tax may be imposed only if the proposing ordinance is approved by the voters in the manner as otherwise required by law

\_\_5\_\_ SB 314

and, if so approved, shall become operative as provided in Section 130352.

- (3) The proposing ordinance shall specify, in addition to the rate of tax and other matters as required by the Transactions and Use Tax Law, both of the following:
- (A) That the tax is to be imposed for a period of five years or less.
- (B) That revenues derived from the tax, net of refunds and costs of administration, are to be expended, whether directly for project expenses or for debt service, exclusively for the following purposes:
  - (i) The Exposition Boulevard Light Rail Transit Project.
- (ii) The construction of sound walls included in the authority's list of soundwall projects for the County of Los Angeles.
  - (iii) Expansion of the capacity of the Interstate 405 freeway.
  - (iv) The Crenshaw transit line.
- (c) Notwithstanding Section 7251.1 of the Revenue and Taxation Code, the tax rate authorized by this section may not be considered for purposes of the combined rate limit established by that section.

All matter omitted in this version of the bill appears in the bill as amended in the Senate, March 27, 2003 (JR 11)